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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

KOLAN DAVIS, STAFF DIRECTOR AND CHIEF COUNSEL
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April 2, 2019

VIA ELECTRONIC TRANSMISSION

Executive Director Lisa Pikkebier
REM Iowa State Office
1661 Boyson Square Drive, Suite 202
Hiawatha, IA 52233

Dear Ms. Pakkebier,

Over the last several years, a number of deeply disturbing news articles have appeared in the media regarding abuse and neglect towards adults and children with intellectual and developmental disabilities (I/DD) at homes managed by The MENTOR Network in Iowa (herein referred to as REM Iowa). Earlier this month, the *Associated Press* reported that a REM Iowa employee sexually assaulted a client as well as took lewd photos of him in 2018.¹ In 2016, the *Daily Nonpareil* reported that REM Iowa unknowingly hired a counselor who had a history of sexually exploiting clients with I/DD.² Again, in 2014, a REM Iowa home was closed after allegations that clients were sexually abused and that counselors failed to provide prescribed medications to their clients.³ These reports raise serious questions concerning REM Iowa, its operations, and its business practices.

The Senate Committee on Finance has primary and sole jurisdiction over the Medicaid program. In this role, the Committee has the responsibility to ensure the appropriate use of federal dollars and that Medicaid beneficiaries receive the high-quality health care to which they are entitled. As a private entity contracting with the States to provide medical assistance for which Federal Medicaid funds have been received, REM Iowa's Medicaid contracts and 24-hour residential services fall within this purview.

¹ *REM Iowa care program supervisor accused of sexually abusing client*, Associated Press (March 11, 2019), <https://www.kcrg.com/content/news/Program-supervisor-accused-of-sexually-abusing-client-506974491.html>.

² *New details released in Krauth case*, Nonpareil (March 6, 2016), https://www.nonpareilonline.com/news/local/new-details-released-in-krauth-case/article_a1683904-d0ca-5247-89a4-daa39e573144.html.

³ Sonya, Heitshusen, *Group home closed: Residents Sexually Abused, Medications Missed*, WhoTv (Nov. 18, 2014), <https://whotv.com/2014/11/17/group-home-closed-residents-sexually-abused-medications-missed/>.

Furthermore, relating to the company's performance record, the Committee released an October 2017 report detailing a two and a half-year investigation into foster care privatization and the increasing practice of States contracting with private entities to protect our nation's most vulnerable children.⁴ This report analyzed The MENTOR Network as a case study (herein referred to as Mentor) and found that, over a ten-year period, approximately 70 percent of children's deaths under Mentor's care were "unexpected," despite the company's own claim that it serves "significantly more children and youth with heightened risk factors."⁵ Additionally, Mentor did not always conduct an internal investigation into deaths that were unexpected. The Committee also found that Mentor was often out of compliance with its own guidelines governing background checks of those who care for foster children or those who are routinely in homes where foster children are placed.⁶

It is incumbent upon Federal and state governments to conduct oversight to ensure that adults and children with I/DD receive high-quality care. Therefore, we ask that you provide the following information to the Committee **no later than April 30, 2019**:

1. According to REM Iowa's website, the company provides I/DD services for adults and children as well as services for those with brain or spinal cord injuries. For each service provided, please answer the following questions:
 - a. How long has the company provided such services in the State?
 - b. In which locations does REM Iowa provide these services?
 - c. Which state entity is the regulator for these services?
 - i. How often is REM Iowa audited or reviewed by this regulator?
 - ii. Is there advance notice prior to the review?
 - d. Please provide a copy of the most recent contract with the State for each service.
2. Copies of every assessment, investigation, or performance review of all REM Iowa facilities issued by the State, or its oversight contractors, from January 2013 to the present.
3. Copies of each mandatory report concerning suspected abuse (e.g., Level IV reports⁷) since January 2013, as well as any enforcement actions associated with an investigation by the State or its oversight contractors.⁸

⁴ Hatch, Wyden Respond to Significant Need to Improve Government Oversight Following Foster Care Investigation, U.S. Senate Committee on Finance (Oct. 17, 2017), <https://www.finance.senate.gov/chairmans-news/hatch-wyden-respond-to-significant-need-to-improve-government-oversight-following-foster-care-investigation>.

⁵ An Examination of Foster Care in the United States and Use of Privatization, Committee on Finance (Oct. 2017), <https://www.finance.senate.gov/imo/media/doc/An%20Examination%20Of%20Foster%20Care%20In%20The%20United%20States%20And%20The%20Use%20Of%20Privatization.pdf>.

⁶ *Id.*

⁷ In the foster care setting, a Level IV incident report captures the agency's most serious incidents of injury, assault, abuse or other similar events. *Id.* at 20.

⁸ IOWA ADMIN. CODE r. 235E.2 (2018).

4. Please indicate if there are any current or pending State investigations concerning REM Iowa staff or clients. If there is such an investigation, please include the date the investigation began and the issues and allegations involved.
5. The locations and address of each REM Iowa 24-hour residential I/DD group home, including a description of the services provided since January 2013. For each group home please provide:
 - a. The names of the Facility Manager, Program Supervisor, Program Director and Area Director associated with each facility since January 1, 2013 as well as their tenures in both their current positions and with REM Iowa.
 - i. For each staff member listed, have any of the individuals been previously the subject of an investigation for alleged abuse or neglect?
 - ii. Has each staff member passed a comprehensive background check prior to being employed by The MENTOR Network?
 - b. The number of clients served for each calendar year.
 - c. The number of staff employed by each facility for each calendar year.
 - d. Ratios of staff employed by each facility to clients served for each calendar year.
 - e. The total amount each facility received in Medicaid reimbursements for services provided for each calendar year.
 - f. All incident reports at any level associated with the facility.
6. Under Iowa Administrative Code 441-82.1⁹, a facility providing services for persons with an intellectual disability must provide each employee with initial and continuing training that, among other things, focuses on skills and competencies directed towards clients with developmental, behavioral, and health needs.
 - a. What types of trainings does your facilities require?
 - b. Please provide documentation that your staff all completed these trainings.

Please answer each question on a question-by-question basis indicating which question you are responding to. If you have any questions, please contact Caitlin Soto of Chairman Grassley's staff, or Ian Nicholson and Dave Berick of Ranking Member Wyden's staff, at (202) 224-4515. Thank you for your prompt attention to this matter.

⁹ IOWA ADMIN. CODE r. 441-82.2(3) (2018).

Sincerely,



Chuck Grassley
Chairman
Senate Finance Committee



Ron Wyden
Ranking Member
Senate Finance Committee